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**In the Supreme Court**  
**OF THE**  
**United States**

OCTOBER TERM, 1943

**No. 341**

**AMOS S. MARCHUS,**

*Petitioner,*

**vs.**

**OTTO C. DRUGE and DAN O. DRUGE, co-partners under the firm name and style of Druge Brothers Manufacturing Company,**  
*Respondents.*

**BRIEF FOR RESPONDENTS.**

**A. W. BOYKEN,**

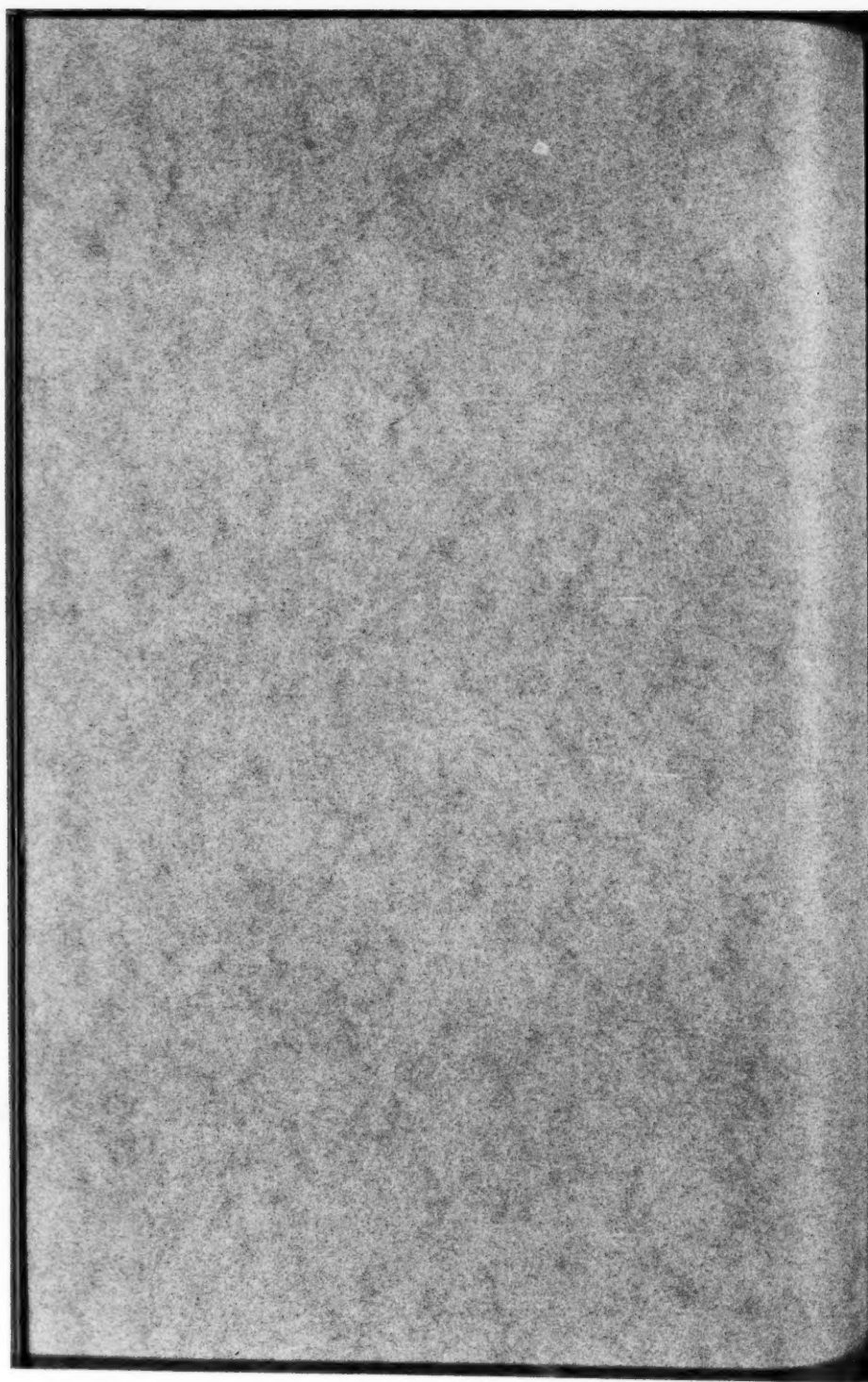
*Crocker Building, San Francisco, California,*

*Counsel for Respondents.*

**RAYMOND SALISBURY,**

*Bank of America Building, Oakland, California,*

*Of Counsel.*







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## BRIEF FOR RESPONDENTS.

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The petition seeks a writ of certiorari to review a judgment in a patent suit entered by the Circuit Court of Appeals for the Ninth Circuit, affirming a final judgment of the United States District Court for the Northern District of California.

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## ALLEGED BASIS OF PETITION.

The basis for the petition is the alleged error of the Appellate Court in holding a patent invalid when

“the trial court was silent on the subject, and where the appellant assigned no error and the appellees brought no cross-appeal raising that issue”. (Petition pp. 5-6.) This Court’s opinion in *Exhibit Supply Co. v. Ace Patents Corporation*, 315 U. S. 126, 62 S. Ct. 513, is principally relied on by petitioner.

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#### INVALIDITY ISSUE BEFORE DISTRICT COURT.

In the original complaint for declaratory relief, the Druge Brothers, respondents here, asserted that the patent in question, No. 1,892,435, was invalid. (Tr. pp. 2-3; paragraphs 2 and 5 of Complaint.) Later, in the answer to counter-claim for patent infringement, respondents interposed the defense that the same patent, and each and all the claims thereof “are invalid for lack of invention”. (Tr. p. 61; paragraph 6.)

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#### INVALIDITY DECISION UNNECESSARY.

The invalidity of Patent No. 1,892,435, raised by present respondents, was therefore an issue before the District Court, on which evidence was introduced at the trial. (Tr. pp. 234-235; 283-313.) Since the trial Court found that the patent was not infringed,\* an adjudication by the same Court on the defense of invalidity was immaterial under the doctrine announced by this Court in *Electrical Fittings Corporation v. Thomas & Betts Co.*, 307 U. S. 241, 59 S. Ct.

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The Final Judgment, paragraph 7 (Tr. p. 76) says the patent is not infringed “assuming the claims thereof in suit to be valid”.

860. In that case it was held that when a complaint is dismissed for failure to prove infringement, defendants were entitled to have eliminated the portion of the decree which had adjudged patent validity.

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#### NO CROSS-APPEAL PERMISSIBLE.

It was not incumbent upon respondent here to appeal from a favorable decision in the District Court, in which no infringement was found, yet patent validity remained undecided, hence no cross-appeal was filed. In *Electrical Fittings Corporation, et al. v. Thomas & Betts Co., et al.*, supra, this Court said:

“A party may not appeal from a judgment or decree in his favor, for the purpose of obtaining a review of findings he deems erroneous which are not necessary to support the decree.”

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#### ALL DEFENSES BEFORE APPELLATE COURT.

The appeal taken by present petitioner brought before the Circuit Court of Appeals *all defenses* urged below, including invalidity and non-infringement.

*United States v. American Railway Express Co.*, 265 U. S. 425, 44 S. Ct. 560;

*Langnes v. Green*, 282 U. S. 531, 51 S. Ct. 243;

*Stelos Co. v. Hosiery Motor-Mend Corp.*, 295 U. S. 237, 55 S. Ct. 746;

*Morley Construction Co. v. Maryland Casualty Co.*, 30 U. S. 185, 57 S. Ct. 325;

*Mills Novelty Co. v. Monarch Tool & Mfg. Co.*, 49 F. (2d) 28;

*Cleveland Clinic Foundation v. Humphrys*, 97 F. (2d) 849; and  
*Merco Nordstrom Valve Co. v. W. M. Acker Organization, Inc.*, 131 F. (2d) 277.

On that rule there can be no dispute.

In the Appellate Court, the parties apparently thought no special appeal was necessary, in order to submit the validity defense, for the opinion of that Court says both parties "devote some discussion of the validity of the patent" in their brief.

*Marchus v. Druge*, 136 F. (2d) 602, 605.

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#### ALLEGED CONFLICT OF DECISIONS.

The Circuit Court of Appeals in this suit refers to a conflict of authorities on the right of an Appellate Court to consider patent validity in a situation where the trial Court was silent on the subject, and where the appellant assigned no error and the appellee brought no cross-appeal raising the issue. Some stress is laid on that statement in the petition and supporting brief. But if we examine the opinions relied on by the Court, said to support the view that an Appellate Court cannot adjudicate patent validity when the trial Court declares only that a patent has not been infringed, we find that they do not directly decide that point. In both *Shakespeare Co. v. Perine Mfg. Co.*, 91 F. (2d) 199, and *Hazeltine Corp. v. Crosley Corp.*, 130 F. (2d) 344, the decree of the lower Court adjudicating non-infringement, was af-

firmed and a statement in the opinion that validity was not involved, was only dicta.

*A. Schrader's Sons v. Wein Sales Corpn.*, 9 F. (2d) 306,

and

*Cover v. Schwartz*, 133 F. (2d) 541, additionally relied on by petitioner, present no conflict.

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**PUBLIC POLICY INVOLVED.**

To sustain claims which a Court believes invalid would be a direct contravention of the public interest sought to be safeguarded by the patent statutes.

*Muncie Gear Works v. Outboard Marine & Mfg. Co.*, 315 U. S. 759, 62 S. Ct. 865;

*United Carbon Co. v. Binney & Smith Co.*, 317 U. S. 228, 63 S. Ct. 165, 168.

The public interest is better served by a decision that the patent is invalid than by a decision that if it were valid it would not be infringed.

*Gebhard v. General Motors Sales Corporation*, 135 F. (2d) 248.

In the recent patent suit of

*Marconi Wireless Telegraph Co. v. United States*, ..... U. S. ...., 63 S. Ct. 1393, 87 L. Ed. 1296, 1319, decided June 21, 1943,

this Court said:

"But this Court, in the exercise of its appellate power, is not precluded from looking at any evidence of record which, whether or not called to

the attention of the Court below, is relevant to and may affect the correctness of its decision sustaining or denying any contention which a party has made before it. (Citing cases.)”

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**NO CONFLICT WITH EXHIBIT SUPPLY CO. DECISION.**

The opinion of this Court in

*Exhibit Supply Co. v. Ace Patents Corporation,*

315 U. S. 126, 62 S. Ct. 513,

is principally relied on to support the petition and it is said, that opinion is in conflict with the one in the instant case.

In that case the usual defenses of invalidity and non-infringement appeared. Upon full consideration of all issues, the District and Appellate Courts held claim 4 of the patent valid and infringed. Thereupon defendant petitioned this Court for a writ of certiorari, but challenged only the decree on the question of infringement. Neither in the petition, nor in the brief and argument was it contended that the patent was invalid. Under these circumstances, the majority opinion considered only the question of infringement, though the minority opinion pointed out that there can be no infringement of an invalid patent. The refusal of the majority of the Court to consider validity explicitly rested on the sole ground that petitioner had not raised the question in its petition, briefs and argument in this Court.

The Exhibit Supply Co. decision is not in conflict with the Appellate Court decision in the instant case.

The facts and procedure in the two cases were entirely different. Validity was not, of course, challenged by appellant Marchus because appellant himself was the patentee. Validity could not be challenged by Druge Brothers, appellees, on a separate cross-appeal because the lower Court judgment was in their favor.

*Electrical Fittings Corporation v. Thomas & Betts Co.*, supra.

Both Marchus and Druge Brothers discussed validity in their briefs.

In the Exhibit Supply Co. suit the District and Appellate Courts both held the patent *valid*, while in the instant case, the District Court made no ruling on validity and the Appellate Court held the patent *invalid*. In the Exhibit Supply Co. suit, petitioner could have raised the invalidity issue in this Court, but failed to do so, whereas, in our case appellees were precluded from taking a cross-appeal, though the evidence on invalidity was before the Appellate Court and both parties devoted some discussion to it on appeal. The two cases can easily be distinguished, and there is no conflict of decision which requires clarification by this Court.

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#### CONCLUSION.

In conclusion:

1. It was impossible for respondents to take a cross-appeal on the question of validity.
2. Petitioner's appeal brought all defenses before the Circuit Court of Appeals.

3. Invalidity was pleaded in the District Court and evidence submitted on that defense.

4. Invalidity was discussed by both parties in the Appellate Court.

5. When a patent is invalid, it is the duty of the Court so to decide.

6. The opinion of this Court in *Exhibit Supply Co. v. Ace Patents Corp.*, supra, is not in conflict with the opinion of the Circuit Court of Appeals in the present case.

7. The petition for a writ of certiorari should be denied.

Dated, San Francisco, California,  
September 29, 1943.

Respectfully submitted,

A. W. BOYKEN,

*Counsel for Respondents.*

RAYMOND SALISBURY,  
*Of Counsel.*

*End*

